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Bay Area authorities team up for stimulus money

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Bay Area authorities are rushing to put together a regional effort to maximize the amount of federal stimulus cash that flows to the area.

With details still emerging about the nation's \$787 billion stimulus package, local leaders and economic development officials are hazy on how much money they can expect, or how to apply for it.

But to make their best case for that money, several groups will work with the **Bay Area Council Economic Institute**, which has been tapped by the state to draw up a regional plan that shows where the Bay Area could best spend the money and what impact the cash would have.

The plan likely will emphasize projects that are ready to start within the next two years and focus on the region's infrastructure needs, land use goals and economic development strategy.

The economic institute is a division of the Bay Area Council, which advocates public policy on behalf of major San Francisco area companies like **Cisco Systems Inc.**, **Gap Inc.** and **Oracle Corp.**

The economic institute said it will work with groups like the **Metropolitan Transportation Commission** and the East Bay's **Economic Development Alliance for Business** to devise its plan. The full contingent of agencies was still being compiled this week, said Sean Randolph, the institute's CEO. Other groups that might be tapped to help author the regional strategy are the Association of Bay Area Governments, local mayors, academics from Stanford University and University of California, Berkeley and local corporate executives, all of whom are on the economic institute's board.

With billions of dollars in the balance, there is a sense of urgency to devise a compelling plan.

"If we don't have one, it makes no sense," said Jim Wunderman, CEO of the Bay Area Council. Without a cohesive plan, "we'll lose out while fighting within our own fiefdoms."

California officials estimate there are \$44 billion worth of projects around the state that are ready to start, potentially generating 800,000 jobs. That includes \$11.8 billion worth in energy and efficiency projects, \$11 billion in road, transit and rail construction, \$4 billion in health care investment and \$8.5 billion in water and sewer projects.

Some of the stimulus money will be sent directly to states and cities via existing formulas. Such is the case, for example, with \$66 million that California will get in rail modernization money. But

other big pots of cash — like \$4.5 billion for improved electrical grid investment — are discretionary. For large chunks of other money to be distributed through various federal agencies, it's not clear yet how money will be apportioned. That's the case for \$8 billion in high speed rail funding, for instance. The **Federal Railroad Administration** will have a plan for disbursement by mid-April.

Given the confusing patchwork of rules that is emerging, some Bay Area elected officials are not waiting on the regional plan to make their case for stimulus cash. San Francisco Mayor Gavin Newsom, for example, is sending a delegation of his department heads to Washington D.C. this week. There they will meet with federal officials to learn how to apply for money and put in a good word for local projects. Newsom and Oakland Mayor Ron Dellums have been among big-city mayors already making personal visits to the capital to underscore their quest for funds.

"We're moving forward with our aggressive approach to getting stimulus investment in San Francisco," said mayoral spokesman Nathan Ballard.

That's not to say San Francisco won't work on the regional plan, Ballard said. "We view any statewide or regional efforts as complementary and we are happy to work with them."

Although Bay Area cities and counties traditionally work independently when planning major investments in areas like land use and housing, there is hope that the region will rally around a unified plan for stimulus money.

"Clearly the regional effort will give a broader context to put us all on the same page," said Bruce Kern, executive director of the Economic Development Alliance for Business, which advocates for businesses in Alameda and Contra Costa counties.

The Bay Area's economic recovery plan will be submitted to the state **Department of Business Transportation and Housing** in Sacramento, which asked groups representing regions around the state to prepare similar documents. The plans go to the state capital because some of the federal stimulus money will flow through the bureaucracy there before reaching cities.

The Bay Area and other regions won't have much time to put their plans together. Pressed by federal demands for quick action, the state wants first drafts of plans by April 1 and final drafts by June 1.

Submitting plans to Sacramento is not mandatory. But there are potentially major benefits for drawing up cohesive plans that spell out how the money will be used. Not only might the regional plans maximize the amount of federal stimulus cash, state officials said regions that submit plans will get "bonus points" for state housing funds stemming from Proposition 1C, a \$2.9 billion bond approved by state voters in 2006.

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